

should pay more? The point is we haven't said anything other than just add that trillion dollars on the deficit.

Now let's take a look at the Bush trillion-dollar tax giveaway to the very wealthy, who said that if we gave them the money, they would create jobs in our country. Guess what? They took the money and they created jobs offshore. Corporate profits are at all-time highs, but are jobs increasing in this country? No. Those corporate profits are due to the booking here in our country of profits earned offshore.

So some say give them more tax breaks. Why, unless they invest in our country in job creation here at home. We would be foolish to waste precious dollars on more outsourcing.

And finally, former President Bush had this idea for pharmaceuticals. He said don't let the Federal Government bargain the cost of pharmaceuticals in Medicare and Medicaid expenditures. Yet when we can't do that, when we fail to negotiate the best, competitive prices, that omission adds hundreds of billions of dollars to our debt.

Mr. Speaker, to solve the deficit problem, Congress and the executive branch must focus on employing the citizens who are out of work. That is the real cause of our economic sluggishness. America ought to address causes, not symptoms.

#### THE FAIRTAX

The SPEAKER pro tempore. The Chair recognizes the gentleman from Georgia (Mr. WOODALL) for 5 minutes.

Mr. WOODALL. Mr. Speaker, I am pleased to come to the floor today. I'm still a little bit winded. I was over in the Ways and Means Committee room where we were talking about exactly these issues. I'm embarrassed that my fitness is in such a state that running up the stairs winds me.

But that's what happens when you don't focus on something, when you don't put in the time it takes to stay fit; things degrade. And that's exactly what's happened with our economy, Mr. Speaker. It's absolutely true that folks are out of work, and it's absolutely true that the best form of unemployment relief is a paycheck. It's not an unemployment check. It's a paycheck.

But why are these jobs going overseas? And this is the real debate that happens up here absolutely every day because people just believe different things about how it is that we put Americans back to work. Every single person who comes to this House floor wants Americans to go back to work, wants America's economy to be the pride of the world once again.

But I will tell you the reason we lose jobs overseas is not because we're taxing businesses too little; it's because we're taxing businesses too much. We have the single highest corporate tax rate in the world in America. Why does Sony want to locate their next plant here? Why does Rico want to locate

their next plant here? Why does Whirlpool want to keep their plants here? We punish business in this country through our Tax Code like no other country in the world.

Now, is there a regulatory component to that too that we need to solve to make America attractive for business? There absolutely is. Is there a health care component of that if those costs rise? Absolutely there is. Is there a payroll tax cost in that we need to address, the largest tax 80 percent of Americans pay? Absolutely there is.

There is only one proposal in the House that does it, and the Ways and Means Committee right now across the street right here behind you, Mr. Speaker, in the Ways and Means Committee room, is holding a hearing on H.R. 25, the FairTax.

The FairTax eliminates these income taxes and moves America to a consumption tax model. America is the only country in the OECD nations, those economically developed nations, that does not have a consumption tax. The FairTax shifts us in that direction.

And what it does for the first time, the only bill in Congress that does it, it eliminates every single bit of corporate welfare in the United States Tax Code. Oil companies, gone. Solar companies, gone. Foreign companies, gone. Every single tax break in the Code is abolished, Mr. Speaker, because we know the free market works best when the market is free. And we know that businesses don't pay taxes. Consumers pay taxes.

There is not a penny that we charge Walmart that they don't roll right into their costs and pass it along to us. You see it. You see it absolutely every day. If we raise gas taxes, gas prices are going to go up. If we lower gas taxes, gas prices go down. The market sorts those things out.

Have you ever been to a Coke machine, Mr. Speaker? I'm from Atlanta; so I'll talk to you about Coke machines. But usually they're going to sit beside a Pepsi machine. Have you ever seen that Coke costs \$1 and the Pepsi right beside it cost \$2? No. Do you ever see the Coke sell for \$1.50 and the Pepsi beside it try to sell for \$5? No. And that's not just because Coke's a wonderful product. It's because the consumer rules in America and price matters. You can't charge whatever you want; you can only charge what the consumer will pay. And when taxes go up, consumers have to pay more.

The FairTax, Mr. Speaker, will bring those jobs back to America like no other proposal in this Congress. It eliminates those corporate income taxes, and it eliminates payroll taxes. Have you thought about your payroll tax recently? It is 15.3 percent of every paycheck that you get.

Now, the wealthy don't pay payroll taxes because they're making their money in interest or dividends or capital gains, these things that payroll taxes don't come out of. Those of us who work for paychecks, we pay pay-

roll taxes. And at 15.3 percent, the payroll tax is the largest tax that 80 percent of Americans pay.

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The largest tax that 80 percent of American families pay, and we don't spend any time on the floor discussing that. We argue about income tax all the time. Half of America doesn't even pay income taxes anymore. Payroll taxes are the taxes that American people pay, 15.5 percent; and it comes out of your paycheck before you even get to see your paycheck.

Milton Friedman, the Nobel Prize-winning economist who helped during World War II establish the withholding system—the government needed money in a hurry. It was wartime. That's when we began sucking money out of your paycheck before you ever see your paycheck. Milton Friedman said the worst decision of his life was not working to do away with the withholding system once World War II ended because you need to know how much money you are paying. You need what it costs you to run this United States Government.

We talk about trillions. Have you thought about \$1 trillion, Mr. Speaker? One trillion dollars, the cost of the President's health care plan, for example. If you started a business on the day Jesus Christ was born and you were so bad at your small business, Mr. Speaker, that you lost \$1 million a day, every day, 7 days a week from the day Jesus was born through today, you would have to continue losing money for another 700 years to lose your first trillion dollars. We throw that number around like it is nothing. It is something. We need jobs back in this country. The FairTax will do it.

I encourage folks to pay attention to what's happening in the Ways and Means Committee today on H.R. 25.

#### RAISE THE DEBT CEILING

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Texas (Ms. JACKSON LEE) for 5 minutes.

Ms. JACKSON LEE of Texas. Mr. Speaker, my good friends have come to the floor of the House. My good friend just came and offered some solutions, and I would say that it's important for Members to have ideas and to be able to engage on behalf of the American people.

Every time we stand in this well, we should be rising to make the lives of the American people, those who have entrusted us to be the holders of the values of this great country, we should be moving on on their behalf. So this morning, I'm asking that we get on with it. It's important to be discussing tax reform. But as many of us know, that is a long, protracted process of give-and-take. And many Americans will understand what the payroll tax is all about when they look in the faces of their seniors and themselves and they know that part of that is Social Security. We know for a fact that Social Security has been a lifeline for millions